

STATEMENT OF STEVEN GARFINKEL
DIRECTOR, INFORMATION SECURITY OVERSIGHT OFFICE
BEFORE THE
SENATE SELECT COMMITTEE ON INTELLIGENCE

NOVEMBER 20, 1985

MR. CHAIRMAN, MR. VICE CHAIRMAN, AND MEMBERS OF THE COMMITTEE,

I WELCOME THE OPPORTUNITY TO DISCUSS WITH YOU TODAY THE INITIATIVES THAT I HAVE RECOMMENDED TO THE ASSISTANT TO THE PRESIDENT FOR NATIONAL SECURITY AFFAIRS TO IMPROVE THE GOVERNMENT-WIDE INFORMATION SECURITY SYSTEM. I AM ALSO PLEASED TO INFORM YOU THAT THE ADMINISTRATION WELCOMES THE COMMITTEE'S INPUT ON THESE OR OTHER INITIATIVES THAT IT MAY PROPOSE.

AS I INDICATED IN MY EARLIER STATEMENT TO THE COMMITTEE, THE AGENCIES MOST INVOLVED WITH NATIONAL SECURITY INFORMATION WORKED WITH THE INFORMATION SECURITY OVERSIGHT OFFICE, OR ISOO, IN DEVELOPING THESE INITIATIVES. AS SOON AS THEY RECEIVE WHITE HOUSE APPROVAL, ISOO WILL COMMENCE THE ACTIONS NECESSARY TO PUT THEM INTO EFFECT. AS YOU WILL NOTE, THE DIFFERENT INITIATIVES REQUIRE VARIOUS MEANS OF IMPLEMENTATION, RANGING FROM THE AMENDMENT OF EXECUTIVE ORDER 12356, "NATIONAL SECURITY INFORMATION," TO THE TRANSMITTAL OF LETTERS WITHIN THE EXECUTIVE BRANCH. NO MATTER WHAT THE MEANS OF IMPLEMENTATION, THESE INITIATIVES WILL APPLY TO EVERY AGENCY THAT CREATES OR HANDLES CLASSIFIED INFORMATION.

IN THIS CONTEXT I EMPHASIZE THAT THE ISOO INITIATIVES DO NOT CONFLICT IN ANY RESPECT WITH THE RECOMMENDATIONS CONTAINED IN THE EXCELLENT REPORT PRODUCED BY THE DEPARTMENT OF DEFENSE SECURITY REVIEW COMMISSION. IN SEVERAL INSTANCES THE COMMISSION'S RECOMMENDATIONS PARALLEL THE ISOO INITIATIVES, AND IN EVERY OTHER INSTANCE THE COMMISSION'S INFORMATION SECURITY RECOMMENDATIONS AND THE ISOO INITIATIVES ARE COMPLEMENTARY.

THE ISOO INITIATIVES DO NOT ALTER THE BASIC STRUCTURE OF THE INFORMATION SECURITY SYSTEM. THE MEMBERS OF OUR INTERAGENCY WORKING GROUP UNANIMOUSLY AGREED THAT THE STRUCTURE OF THE SYSTEM ESTABLISHED BY PRESIDENT REAGAN IN 1982, IS FUNDAMENTALLY SOUND AND, FOR THE MOST PART, WORKING QUITE WELL. RATHER, THESE INITIATIVES SEEK INCREASED KNOWLEDGE AND INCREASED ACCOUNTABILITY AMONG THE MANY PEOPLE WHO ARE ENTRUSTED WITH MAKING THE SYSTEM WORK AS IT SHOULD. ALTHOUGH THESE INITIATIVES ARE FEW IN NUMBER AND QUITE MODEST IN COST, ISOO FIRMLY BELIEVES THAT THEIR IMPLEMENTATION SHOULD HAVE FAR-REACHING CONSEQUENCES FOR THE IMPROVEMENT OF THE INFORMATION SECURITY SYSTEM.

THE RECOMMENDED INITIATIVES ATTACK PERCEIVED PROBLEMS IN FIVE SUBJECT AREAS. THESE INCLUDE OVERCLASSIFICATION, OR UNNECESSARY CLASSIFICATION; THE OVERDISTRIBUTION OF CLASSIFIED INFORMATION; THE MANAGEMENT OF CLASSIFIED INFORMATION; THE EROSION OF THE "NEED-TO-KNOW" PRINCIPLE; AND UNAUTHORIZED DISCLOSURES.

THE PLACEMENT OF OVERCLASSIFICATION AS THE FIRST PROBLEM AREA WAS INTENTIONAL. ALTHOUGH THE PROBLEM OF OVERCLASSIFICATION IS NOT NEARLY AS SEVERE AS THE POPULAR MEDIA WOULD LEAD US TO BELIEVE, IT IS A CONTINUING NUISANCE THAT EATS AWAY AT THE CREDIBILITY OF THE ENTIRE SYSTEM. CRITICS TELL US THAT OVERCLASSIFICATION IS THE MECHANISM WE USE TO HIDE OUR MISTAKES, TO SHIELD US FROM EMBARRASSMENT, AND TO COVER-UP OUR MISDEEDS. IN ISOO'S EXPERIENCE, THE PRINCIPAL CAUSES OF OVERCLASSIFICATION ARE FAR LESS INTRIGUING. VERY FEW CLASSIFICATION DECISIONS ARE THE PRODUCT OF A COVER-UP, ALBEIT EVEN ONE CASTS A SHADOW ON THE WHOLE SYSTEM. INSTEAD, I SUGGEST THAT ONE OR MORE OF THE FOLLOWING REASONS ACCOUNTS FOR JUST ABOUT EVERY INSTANCE OF INITIAL OVERCLASSIFICATION. FIRST, OVERCAUTION. MANY CLASSIFIERS BELIEVE, AND WITH SOME REASON, THAT IT IS BETTER TO ERR ON THE SIDE OF PROTECTION THAN ON THE SIDE OF DISCLOSURE. SECOND, ROTE CLASSIFICATION. IT IS ALMOST ALWAYS EASIER TO DO THINGS THE WAY THEY'VE BEEN DONE BEFORE. INDEPENDENT THOUGHT TAKES TIME AND EFFORT. THIRD, STATUS OR PRESTIGE CLASSIFICATION. SOME INDIVIDUALS BELIEVE THAT IT ELEVATES THEIR STATURE TO ELEVATE THE PROTECTION OF THEIR PRODUCT. FOR STATUS CLASSIFIERS, "CONFIDENTIAL" IS NEVER HIGH ENOUGH, AND "SECRET" IS ONLY TOLERABLE. FOURTH, AND RELATED TO STATUS CLASSIFICATION, IS WHAT I CALL EXCLUSIONARY CLASSIFICATION. THIS OCCURS WHEN AN OFFICIAL DECIDES THAT THE CLASSIFICATION OF HIS PRODUCT WILL ESTABLISH A MORE EXCLUSIVE ENVIRONMENT, FREE FROM ROUTINE OVERSIGHT.

FIFTH, INCORRECT, INADEQUATE OR NONEXISTENT CLASSIFICATION GUIDANCE. POOR GUIDANCE RESULTS IN INACCURATE DERIVATIVE CLASSIFICATION ACTIONS AND, QUANTITATIVELY, IS PROBABLY THE MOST SIGNIFICANT CAUSE OF OVERCLASSIFICATION. SIXTH, THE LACK OF PORTION MARKINGS IN DOCUMENTS USED AS SOURCES FOR DERIVATIVE CLASSIFICATION. IF THE ENTIRE TEXT OF A DOCUMENT IS CLASSIFIED, EVEN THOUGH SOME PORTIONS NEED NOT BE, DOCUMENTS DERIVED FROM THOSE PORTIONS WILL BE NEEDLESSLY CLASSIFIED. AGAIN, I SUGGEST THAT THESE SIX SITUATIONS ACCOUNT FOR ALMOST ALL INITIAL OVERCLASSIFICATION.

TO ATTACK THE PROBLEM OF OVERCLASSIFICATION, ISOO HAS PROPOSED THREE INITIATIVES. FIRST, ISOO PROPOSES TO ISSUE A DIRECTIVE THAT ESTABLISHES MINIMUM REQUIREMENTS FOR MANDATORY TRAINING OF ORIGINAL AND DERIVATIVE CLASSIFIERS, INCLUDING THE PROMULGATORS AND USERS OF CLASSIFICATION GUIDES. TOO OFTEN THESE OFFICIALS ARE RECEIVING LITTLE OR NO TRAINING ABOUT THE CLASSIFICATION SYSTEM AND PROCESS. ISOO WILL ALSO REQUIRE THAT AGENCIES KEEP RECORDS OF THE TRAINING THAT EACH OF THESE OFFICIALS RECEIVES.

SECOND, ISOO PROPOSES TO ISSUE A DIRECTIVE ON AGENCY SELF-INSPECTIONS THAT ESTABLISHES MINIMUM CRITERIA FOR INTERNAL OVERSIGHT. THIS DIRECTIVE WILL INCLUDE THE REQUIREMENT THAT AGENCIES PERIODICALLY AND ROUTINELY EXAMINE A SAMPLE OF THEIR CLASSIFIED PRODUCT TO ENSURE THE VALIDITY OF CLASSIFICATION AND

THE EXISTENCE OF APPROPRIATE MARKINGS. MOST CURRENT AGENCY SELF-INSPECTIONS CONCENTRATE ALMOST EXCLUSIVELY ON PHYSICAL SECURITY AND LARGELY IGNORE THE INFORMATION BEING PROTECTED.

THIRD, ISOO PROPOSES THAT THE PRESIDENT AMEND E.O. 12356 TO REQUIRE EMPLOYEES TO REPORT INSTANCES OF IMPROPER CLASSIFICATION. CURRENTLY, THE SYSTEM ENCOURAGES EMPLOYEES TO REPORT CLASSIFICATION ACTIONS THAT THEY BELIEVE TO BE INCORRECT. IN PRACTICE, THIS RARELY OCCURS. ISOO ALSO PROPOSES THAT THE ORDER BE AMENDED TO REQUIRE AGENCIES TO ESTABLISH EFFECTIVE PROCEDURES FOR EMPLOYEES TO CHALLENGE IMPROPER CLASSIFICATION FREE FROM THE FEAR OF RETALIATION. THE FEAR OF RETRIBUTION IS BELIEVED TO BE A PRIMARY REASON THAT EMPLOYEES AND CONTRACTORS ARE NOT CHALLENGING CLASSIFICATION DECISIONS TODAY. IN PROPOSING THIS INITIATIVE, ISOO RECOGNIZES THAT ITS ENACTMENT MAY RESULT IN MANY UNFOUNDED COMPLAINTS. THIS SEEMS TO ISOO TO BE A REASONABLE PRICE TO PAY FOR IMPROVING THE QUALITY OF OUR CLASSIFIED PRODUCT.

THE OVERDISTRIBUTION OF CLASSIFIED INFORMATION HAS BECOME A VERY SERIOUS PROBLEM IN RECENT YEARS. THE WIDESPREAD AVAILABILITY OF COPIERS AND AUTOMATED INFORMATION PROCESSING SYSTEMS HAS MULTIPLIED THE WHOLESALE DISTRIBUTION OF CLASSIFIED INFORMATION. INCREASED DISTRIBUTION RESULTS IN INCREASED SECURITY COSTS AND INCREASED VULNERABILITIES.

TO ATTACK THE PROBLEM OF OVERDISTRIBUTION, ISOO HAS PROPOSED THREE INITIATIVES. FIRST, ISOO PROPOSES THAT THE PRESIDENT ISSUE A STATEMENT TO THE HEADS OF AGENCIES THAT ADDRESSES, AMONG OTHER PROBLEM AREAS, THE OVERDISTRIBUTION OF CLASSIFIED INFORMATION. ISOO BELIEVES THAT A PRESIDENTIAL STATEMENT WILL HIGHLIGHT OVERDISTRIBUTION AS A PROBLEM THAT MERITS FAR MORE ATTENTION THAN IT HAS BEEN RECEIVING.

SECOND, ISOO PROPOSES TO AMEND ITS GOVERNMENT-WIDE DIRECTIVE TO REQUIRE AGENCIES TO REVIEW AT LEAST ANNUALLY THE AUTOMATIC OR ROUTINE DISTRIBUTION OF ALL CLASSIFIED INFORMATION. BOTH DISTRIBUTORS AND RECIPIENTS WOULD BE REQUIRED TO UPDATE AUTOMATIC DISTRIBUTION LISTS, AND DISTRIBUTORS TO VERIFY THE CONTINUING "NEED-TO-KNOW" OF RECIPIENTS. THIS INITIATIVE SHOULD REMEDY THE TOO FREQUENT SITUATION IN WHICH A ONCE BONA FIDE RECIPIENT IS PLACED ON AN AUTOMATIC DISTRIBUTION LIST AND CONTINUES TO RECEIVE THE CLASSIFIED PRODUCT OF THE DISTRIBUTOR.

THIRD, ISOO PROPOSES TO AMEND ITS GOVERNMENT-WIDE DIRECTIVE TO ENCOURAGE ORIGINATORS OF CLASSIFIED INFORMATION TO WIDEN CONTROLS ON ITS REPRODUCTION, UNLESS THERE ARE COUNTERVAILING REASONS TO PERMIT UNCONTROLLED REPRODUCTION. CURRENTLY, "TOP SECRET" INFORMATION MAY NOT BE REPRODUCED WITHOUT THE PERMISSION OF THE ORIGINATOR. ALTHOUGH ORIGINATORS MAY PLACE SIMILAR CONTROLS ON THE REPRODUCTION OF "SECRET" AND "CONFIDENTIAL" INFORMATION, THEY RARELY DO SO. WITH COPIERS AVAILABLE IN JUST ABOUT EVERY OFFICE,

COPIES OF CLASSIFIED DOCUMENTS PROLIFERATE. THIS INITIATIVE SHOULD INCREASE BOTH CONTROL AND ACCOUNTABILITY, AND REDUCE THE OVERDISTRIBUTION OF NATIONAL SECURITY INFORMATION.

ISOO TERMED THE THIRD PROBLEM AREA "CLASSIFICATION MANAGEMENT." IN ISOO'S DEFINITION OF THIS TERM, IT REFERS BROADLY TO THE MANAGEMENT OF CLASSIFIED INFORMATION BY CLASSIFIERS, SECURITY SPECIALISTS, AND OTHERS WHOSE WORK HAS A SIGNIFICANT IMPACT UPON ITS CREATION AND HANDLING. BECAUSE IT IS A GENERAL TERM, THE INITIATIVES THAT ISOO IS PROPOSING IN THIS AREA IMPACT AS WELL ON EACH OF THE OTHER PROBLEM AREAS.

FIRST, ISOO PROPOSES THAT THE PRESIDENT AMEND E.O. 12356 TO IDENTIFY THE MANAGEMENT OF CLASSIFIED INFORMATION AS AN AREA REQUIRING AGENCY HEAD ATTENTION. SPECIFICALLY, THIS INITIATIVE WOULD REQUIRE THAT THE RESPONSIBILITIES FOR MANAGING CLASSIFIED INFORMATION BE INCLUDED AS CRITICAL ELEMENTS IN THE PERFORMANCE RATING SYSTEMS OF CIVILIAN AND MILITARY PERSONNEL WHO ARE ORIGINAL CLASSIFIERS, SECURITY MANAGERS, OR WHO ARE OTHERWISE SIGNIFICANTLY INVOLVED IN MANAGING CLASSIFIED INFORMATION. PERHAPS MORE THAN ANY OTHER, THIS INITIATIVE WILL CONFIRM THAT PERSONAL ACCOUNTABILITY IS THE MOST EFFECTIVE MEANS OF IMPROVING THE OPERATION OF THE INFORMATION SECURITY SYSTEM.

SECOND, ISOO PROPOSES THAT THE ASSISTANT TO THE PRESIDENT FOR NATIONAL SECURITY AFFAIRS CALL UPON THE DIRECTOR OF THE OFFICE OF PERSONNEL MANAGEMENT TO REVIEW AND REVISE THE SECURITY SPECIALIST POSITION SERIES, TO INCLUDE PROPER RECOGNITION FOR THE SPECIAL SKILLS NECESSARY FOR THE MANAGEMENT OF CLASSIFIED INFORMATION. IN MANY RESPECTS SECURITY SPECIALISTS OCCUPY THE LOWEST RUNG OF THE PROFESSIONAL LADDER. THEY RECEIVE LITTLE RESPECT, LOW SALARIES, AND FEW OPPORTUNITIES FOR ADVANCEMENT. ALL TOO OFTEN THE BEST PEOPLE LEAVE THE SECURITY FIELD AS QUICKLY AS THEY CAN. AS A SOCIETY WE ARE BEGINNING TO APPRECIATE THE IMPORTANCE OF MOTIVATED, COMPETENT SECURITY PERSONNEL. THIS INITIATIVE IS INTENDED TO IMPROVE THE PROFESSIONAL STANDING OF SECURITY SPECIALISTS, SO THAT WE CAN ATTRACT AND RETAIN BETTER PEOPLE TO PERFORM THESE CRITICAL JOBS.

THIRD, ISOO PROPOSES THAT THE PRESIDENT DIRECT THE SECRETARY OF DEFENSE TO STUDY THE FEASIBILITY OF EXPANDING THE DEFENSE SECURITY INSTITUTE TO PROVIDE BASIC TRAINING FOR ALL EXECUTIVE BRANCH SECURITY PERSONNEL. SECURITY EDUCATION PLAYS A FUNDAMENTAL ROLE IN ASSURING THE EFFECTIVENESS OF THE INFORMATION SECURITY PROGRAM. TODAY, HOWEVER, BASIC SECURITY TRAINING IS NOT ALWAYS AVAILABLE TO THOSE WHO NEED IT. THE DEFENSE SECURITY INSTITUTE OFFERS AN EXISTING SCHOOL WITH EXCELLENT INSTRUCTORS IN THE NECESSARY SECURITY DISCIPLINES. THE DEMAND FOR ITS COURSES FAR EXCEEDS ITS CURRENT CAPACITIES. TO INCREASE THE INSTITUTE'S

COURSE OFFERINGS AND ENROLLMENT, THE SECRETARY OF DEFENSE SHOULD HAVE THE OPTION OF SEEKING REIMBURSEMENT FROM THE AGENCIES WHOSE EMPLOYEES AND CONTRACTORS WOULD BENEFIT FROM ITS EXPANSION.

THE CRITERIA FOR ACCESS TO CLASSIFIED INFORMATION HAVE LONG BEEN THE CLEARANCE PLUS THE "NEED-TO-KNOW". WITH THE PROLIFERATION OF CLEARANCES, RELIANCE UPON "NEED-TO-KNOW" BECOMES EVEN MORE CRITICAL. INSTEAD, WE HAVE BEEN WITNESSING WIDESPREAD INDIFFERENCE TO THIS PRINCIPLE. IN ISOO'S VIEW, THE OBVIOUS SECURITY THREAT IS NOT THE ONLY UNFORTUNATE CONSEQUENCE OF THE RELAXED ENFORCEMENT OF THE "NEED-TO-KNOW" PRINCIPLE. ANOTHER IS THE INCREASING USE BY AGENCIES OF SPECIAL ACCESS PROGRAMS TO HELP PROTECT CLASSIFIED INFORMATION. THESE PROGRAMS HAVE ALL TOO OFTEN SUBSTITUTED FOR THE ABSENCE OF ENFORCED "NEED-TO-KNOW".

THE INITIATIVES THAT ISOO HAS PROPOSED TO ATTACK THE OVERDISTRIBUTION OF CLASSIFIED INFORMATION SHOULD ALSO SERVE TO REVITALIZE THE "NEED-TO-KNOW" PRINCIPLE. IN ADDITION, ISOO SEEKS TWO OTHER INITIATIVES. FIRST, ISOO PROPOSES THAT THE PRESIDENT ISSUE A STATEMENT TO AGENCY HEADS THAT STRESSES THE IMPORTANCE OF REVITALIZING THE "NEED-TO-KNOW" PRINCIPLE. TO AVOID DUPLICATION, THIS WOULD BE PART OF THE PRESIDENTIAL STATEMENT PROPOSED BY ANOTHER INITIATIVE.

SECOND, ISOO PROPOSES THAT THE PRESIDENT AMEND E.O. 12356 TO REQUIRE AGENCY HEADS TO ENSURE EFFECTIVE INTERNAL OVERSIGHT OF SPECIAL ACCESS PROGRAMS, INCLUDING PERIODIC RECONFIRMATION OF THEIR CONTINUED NEED. AT PRESENT, MANY SPECIAL ACCESS PROGRAMS ACTUALLY RECEIVE LESS SECURITY OVERSIGHT THAN COLLATERAL PROGRAMS. IN ADDITION, A NUMBER OF THESE PROGRAMS ARE PROBABLY UNNECESSARY. THIS INITIATIVE AIMS FOR BOTH IMPROVED SECURITY AND INCREASED SCRUTINY OF THESE COSTLY PROGRAMS.

THE FIFTH AND FINAL PROBLEM AREA THAT THE INTERAGENCY GROUP EXAMINED WAS THAT OF UNAUTHORIZED DISCLOSURES. BECAUSE IT IS A SUBJECT THAT HAS BEEN EXPLORED REPEATEDLY IN RECENT YEARS, WE ARE PROPOSING ONLY TWO INITIATIVES. FIRST, ISOO PROPOSES THAT IT COORDINATE WITH THE SECURITY COMMITTEE OF THE INTELLIGENCE COMMUNITY IN THE DEVELOPMENT OF EDUCATIONAL MATERIALS, BOTH UNCLASSIFIED AND CLASSIFIED, THAT ADDRESS THE DAMAGE CAUSED BY UNAUTHORIZED DISCLOSURES. ISOO IS PARTICULARLY INTERESTED IN THE DEVELOPMENT OF EFFECTIVE, UNCLASSIFIED MATERIALS, ALTHOUGH WE RECOGNIZE THAT THE PRODUCTION OF THESE IS A FAR MORE DIFFICULT TASK WHEN WE MAY NOT USE CLASSIFIED EXAMPLES.

SECOND, ISOO PROPOSES THAT THE PRESIDENT CALL UPON THE ATTORNEY GENERAL TO REVIEW AND REVISE EXISTING GUIDELINES ON THE INVESTIGATION OF UNAUTHORIZED DISCLOSURES. THESE GUIDELINES WOULD COVER BOTH INTERNAL AGENCY INVESTIGATIONS AND EXTERNAL

11

INVESTIGATIONS BY THE DEPARTMENT OF JUSTICE AND FEDERAL BUREAU OF INVESTIGATION. CURRENTLY, INVESTIGATIONS OF UNAUTHORIZED DISCLOSURES RARELY LEAD TO SUCCESSFUL PROSECUTIONS OR EVEN ADMINISTRATIVE SANCTIONS. IT IS HOPED THAT REVISED INVESTIGATIVE GUIDELINES MAY IMPROVE UPON THIS RECORD.

MR. CHAIRMAN, MR. VICE CHAIRMAN, AND MEMBERS OF THE COMMITTEE, I HAVE NOW DESCRIBED THE THIRTEEN INITIATIVES THAT I HAVE PROPOSED TO THE ASSISTANT TO THE PRESIDENT FOR NATIONAL SECURITY AFFAIRS TO IMPROVE THE INFORMATION SECURITY SYSTEM. I BELIEVE THAT THEY REPRESENT A GOOD FAITH EFFORT TO REMEDY SOME SERIOUS PROBLEMS IN THE IMPLEMENTATION OF WHAT IS A VERY GOOD INFORMATION SECURITY SYSTEM. I LOOK FORWARD TO YOUR COMMENTS AND SUGGESTIONS.